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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of the Commission's Rules and Policies to Increase Subscribership and Usage of the Public Switched Network	)	CC Docket No. 95-115

COLORADO PUBLIC UTILITIES COMMISSION STAFF
COMMENTS ON
FCC ORDER 95-281

Introduction

The Colorado Public Utilities Commission Staff (CPUCS) submits the following comments in the Federal Communications Commission (FCC) Docket No. 95-281. These comments are in response to FCC Decision No. 95-281, adopted July 13, 1995, which established a Notice of Proposed Rulemaking (NOPR) seeking information on the means by which the FCC can provide a universal opportunity to subscribe to the public switched telecommunications network.

The NOPR invites comments regarding reasons for varying levels of subscribership in certain areas and demographic groups, the abilities of new technologies to advance universal service goals, disconnection and connection policies of regulated carriers, the level and targeting, the relationship to competition, the ability of existing universal service programs to benefit highly mobile customers, and means to increase customer awareness of their subscription alternatives. Finally, comments are solicited as to the legal authority of the FCC to implement the proposals contained within the NOPR.

The CPUCS has unique qualifications upon which to base its comments. As a state regulatory agency, the Colorado Commission has significant experience in regulatory oversight of large and small Local Exchange Companies (LECs), as well as Interexchange

Carriers (IXCs) offering intrastate toll services, at the local level where they directly interact with their customers. Because it is a significant and primarily a local concern, the Colorado Commission has dealt with and enacted universal, or basic, service standards as well as deposit and disconnection policies that enhance subscribership to the public switched network. As noted in ¶ 11 of the NOPR, Colorado is one of several states that prohibits the disconnection of local service for nonpayment of interstate long-distance charges.

To assist interested parties and the FCC, the CPUCS has organized these comments in a manner that parallels the NOPR. We have addressed the issues in the same sequence as raised in the NOPR, using the same outline form, in terms of paragraph numbering, and the placement of captions. To the extent that we have skipped a paragraph number in these comments, we have intended not to comment on the issues within that paragraph at this time.

SUMMARY

Policies regarding such important issues as connection and disconnection of the local service of a customer have historically been of crucial interest to the state commissions. To the extent possible, decisions on these policies have been and should continue to be left for the states to determine without federal preemption. The FCC can and should clarify the chilling effect its "Maryland" order has had on the efforts of states to adopt prohibitions on the disconnection of local service for failure to pay interstate long-distance charges. As stated in the NOPR, the FCC should declare its policy of prohibiting the failure to pay interstate long-distance charges from causing the disconnection of a customer from the local exchange network. After that the FCC should defer to the states to implement and coordinate that policy with their own disconnection policies for services regulated by the states.

For certain types of telecommunications services that might not be under state regulatory oversight, the FCC may want to consider a voucher type program if it wants to make these services more economically available to low-income subscribers as an alternative to traditional wireline basic local exchange service.

As measured by the penetration of households with a telephone, the goal of universal service is coming closer but is still not achieved. Various socio-economic factors affect the penetration rate including service connection and monthly telephone charges. Without appropriate governmental policies, this goal becomes more at risk in a competitive market. The current FCC Lifeline program could be expanded, as necessary. However, the FCC cannot necessarily expect all states to also provide a matching contribution of funds to this expansion. In Colorado, the eligibility and extent of the subsidy of the Lifeline program is controlled by statute, not the Colorado Commission.

In closing, we note that most all of the possible means of mitigating barriers to the availability of the local exchange network to consumers have been investigated by the Colorado Commission and adopted some years ago. Also, a number of the alternatives to local exchange service described in the FCC NOPR are at least emerging competitive if not competitive services. Except for possible oversight of some service providers that are outside the regulatory authority of the state commissions, the NOPR does not describe any areas in which there is a pressing need for FCC intervention at this time.

II. PROPOSALS TO INCREASE SUBSCRIBERSHIP

A. Disconnection Related to Failure to Pay Interstate Long-distance Charges

1. Call Control Services

a. Voluntary Long-Distance Blocking Services

Response to NOPR ¶ 17

In Colorado, U S WEST Communications, Inc. (USWC) serves approximately 95 percent of the access lines in the state.[1] Therefore, these comments will focus on services available from this LEC. Currently, USWC offers a voluntary toll blocking service to which a customer can subscribe and avoid possible deposit requirements associated with long distance service while still having local calling access. Appendixes 1 and 2 are the pages from the Colorado Local Exchange Tariff of USWC which describe this blocking service, called "Toll Restriction" and the companion "Billed Number Screening" service.

However, to implement a policy of prohibiting disconnection of local exchange service for a failure to pay nonjurisdictional toll charges requires availability of a toll blocking service from the LEC which the IXC can request be activated to prevent calls from certain access lines. Since about 1986, USWC has offered this capability as a service called "Selective Carrier Denial" (SCD). Appendix 3 is the pages from the Colorado Local Exchange Tariff of USWC which describe the SCD blocking service. We believe that the monthly charges shown on these tariff sheets are significantly more than necessary to recover the cost of providing these services.[2] We are not aware of any problems in providing these services to or using them on new or existing customers. The voluntary toll-restriction services are mainly used by existing or previously disconnected customers attempting to re-establish good credit payment records with the LEC.

The current USWC voluntary Toll Restriction service restricts all toll calls which is slightly different than the FCC proposal that

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[1] The other 5 percent are served by approximately 26 small LECs with Pacific Telecom, Inc. serving the next largest percentage of 3 percent of the access lines in the state.

[2] The $2 per month charge for the USWC Toll Restriction service is essentially set to recover the calculated equivalent of an intrastate subscriber line charge.

only interstate toll calls be restricted. This may require implementation of a modified algorithm within the switch software, relative to the current software specifications of USWC. However, the development cost should be not be significant, if such a software algorithm is not already available from the switch manufacturers.[3]

Response to NOPR ¶ 18

The voluntary toll restriction services are mainly used by existing or prior customers which have significant unpaid toll charges and within this category of customers there has been a significant demand for these services in order to avoid possible large deposit amounts associated with re-establishing toll service. We believe that these services have had a significant positive impact on keeping customers on the network who may otherwise have had their service disconnected. As noted in Attachment 1, the current USWC tariff rate is $2 per month for residential customers. This equates to $24 per year which is less than the probable required deposit to establish service with long-distance access.

Response to NOPR ¶ 19

We generally support the NOPR proposal for the FCC to require establishment of voluntary interstate long-distance blocking services by the LECs. In conjunction with a total toll blocking service such as offered by USWC, this could allow the customer to determine whether he/she wanted blocking of out-of-state calling capability only or both interstate and intrastate long-distance calls.[4] This would be an appropriate step towards the service

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[3] In commenting that the cost should not be significant, we assume that the FCC would not require immediate availability of these services but would allow LECs and/or IXCs to phase replacement of any incompatible switch generic software.

[4] Another possibility is to require notification of the customer by the LEC that designation of a long-distance carrier is not required but access to long-distance services through 10-XXX dialing could occur.

unbundling (local, intrastate long-distance, and interstate long-distance) as referenced in ¶ 29 of the NOPR which should occur as the telecommunications market becomes more competitive. It may be advisable for this requirement to be phased in, beginning with the largest LECs and eventually applicable to all LECs.[5]

Our support of the NOPR proposal is based on our understanding of the legal authority being cited by the FCC in the NOPR. If the intent of the FCC is to control the ability to disconnect local service, we would have serious reservations about the direction and rationale of this NOPR. However, we understand the intent is merely to assert the authority of the FCC in regards to whether carriers can use nonpayment of interstate charges to require disconnection of local service.

We do not foresee the requirement of offering interstate blocking services affecting competition among local service providers. First, if competitors offer local exchange services through their own network, they are probably going to use switching equipment similar to that used by the LECs. If the requirement for such services becomes a standard feature within the software offered by manufacturers, it will be available to competitors. If a competitor merely resells the local exchange service of an incumbent LEC, it would appear the LEC would also have to offer for resale these toll blocking services, existing as well as proposed within the FCC NOPR.

In Colorado, the Legislature has enacted legislation allowing local exchange competition beginning in July of 1996. Under that legislation, competitors to the incumbent LECs do not have to provide universal service. However, the Colorado Commission must

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[5] We note that there are common carriers other than LECs, such as cellular services, which are connected to the public switched network and offer local services to consumers. We are not sure, that the NOPR proposal for the institution of voluntary services is meant to also apply to these carriers.

designate a Provider of Last Resort (POLR)[6] within each area or exchange in the state. At this time, the Colorado Commission has no intent to automatically waive any of its existing rules regarding service disconnection and deposits. However, it is possible that a distinction may evolve between POLRs and other local exchange providers relative to such requirements.

In terms of alternatives to the FCC proposal, we note it is not entirely clear that toll blocking can only be accomplished by the LEC. Particularly since the implementation of Signalling System 7 (SS7), we believe that the technology is available to allow IXCs to directly block access to their networks. With competition evolving in the local exchange market, and customers able to switch local exchange providers, it may be advisable for the FCC to consider whether interstate toll blocking should occur at the IXC rather than the LEC level.[7]

Another alternative to LEC toll blocking that is already available in the market is the use of debit cards by customers that do not have a directly subscribed long-distance carrier. In early 1995, the Colorado Commission declared the telecommunications debit card market to be competitive and removed its regulatory jurisdiction over this service. If the FCC would want to provide assistance to low-income customers to purchase debit cards, this should probably be done through a voucher system perhaps available through the Department of Social Services for the state or the Social Security Administration for the federal government.

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[6] The POLR would be eligible to receive funds through the Colorado High Cost Fund to support universal service throughout an area.

[7] In a competitive arena, it would seem that the IXC should directly decide whether a customer can access its network. However, this also brings up the question as to whether there is to be a POLR for interstate services.

b. Other Long-Distance Restriction Services

Response to NOPR ¶ 20

It may be technically possible for the LEC to restrict long distance by minutes of use or by dollar amounts. This is essentially already done when the customer uses operator assistance for credit card or coin telephone calls. To do this on a routine basis for long distance calls placed by customers on a special minute/dollar limited rate, the end-office switch software would have to have an algorithm which keeps track of the minutes of use. It would be even more difficult for the switch to keep track of the actual dollar value of the placed calls. This would appear to be a form of real time billing and would certainly be more complex than the switch software algorithms required to simply block the customer from using certain toll services. Both of these possibilities appear to be a derivative of the current operator assisted calling services.

In fact, the dollar limitation proposal is very similar to use of a debit card as the means to access the long-distance network. These cards are widely available to anyone with the funds required for their purchase. To our knowledge, there is no limitation on their use even by a customer that has a current outstanding debt to a carrier for which the customer purchases a card to use the carrier's long-distance service. As the debit card market is competitive, we believe that any potential interference with this market by the FCC should be limited to initiatives that are competitively neutral such as vouchers.

Since the Lifeline and Link Up programs could be viewed as a form of a voucher which is paid to the LEC rather than the customer, they could be extended or clarified to allow coverage of the monthly or initial cost to initiate a toll restriction service. In Colorado, the Colorado Commission and the LECs do not have the authority to adjust the statutory provisions under which Colorado participates in the current FCC Lifeline and Link Up programs.

Therefore, the FCC may have to consider initially providing funds on an unmatched basis, until the Colorado legislature considers such revisions, if it wants Colorado customers to benefit from such revisions to these programs.

2. Assistance with Connection Charges and Deposits

Response to NOPR ¶ 26

The FCC proposes to require carriers to adjust deposit requirements for low-income customers that agree to accept voluntary toll restriction service. It not clear from the NOPR on which carriers the FCC will enforce this requirement. In Colorado, the LECs cannot require deposits for long-distance services that they do not provide, such as interstate long-distance service. However, they can, and they do, act as billing and collection agents for the IXCs. To the extent that the FCC is attempting to adjust deposit requirements for low-income customers, this should be specifically directed at the IXCs providing interstate services. We do not believe the FCC NOPR is attempting to force adjustments of LEC deposits for intrastate services. If it is, we do not believe this is permissible.

In conjunction with the preceding observations, we also note that under Decision C92-515, the Colorado Commission has already required USWC to waive intrastate deposit requirements for customers eligible for low income assistance. However, this was not done as part of its deposit rules for all LECs. There are also specific Colorado Commission rules requiring all LECs to allow customers to pay deposits in a minimum of at least two installments and allow for a third party guarantor of the deposit and service bill of the customer, which tend to mitigate the effect of deposits on low-income customers. The USWC Local Exchange Tariff also allows for a toll deposit waiver when the subscriber takes the previously mentioned USWC Toll Restriction service.[8]

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[8] See Attachment 1.

We believe the first action to improve the effectiveness of the Link Up program for low-income subscribers would be for the FCC to at least consider requiring all LECs receiving USF support to also offer this program as well as the Lifeline program.

3. Disconnection Restrictions

Response to ¶ 33

The CPUCS would welcome clarification and enunciation of a policy by the FCC regarding prohibition of disconnection of local service for failure to pay interstate charges. However, the comments in the NOPR regarding the Public Service of Maryland order could be construed to imply that the FCC might preempt state authority over disconnection for failure to pay intrastate charges if this interfered with access to the interstate network. Although we are not attempting formal legal analysis of this issue at this time, we would question the authority of the FCC to undertake such a preemption. In other paragraphs of the NOPR, such as ¶s 12 and 17, it appears clear that the FCC has no intention of attempting to preempt state authority. We believe the FCC needs to clarify its intent for this NOPR.

Assuming the FCC has authority in this area, we believe that it would be best for the FCC to consider adopting the prohibition policy it has proposed and allow or defer to the states to serve as the main implementation force for that policy in conjunction with their oversight of services regulated by the states. This would be compatible with the emphasis on maintaining customers on the local network which seems to be the intent of the NOPR. The informal and formal complaint processes in effect at the state commissions are uniquely focused on this problem and many customers who have trouble keeping current on their local service charges also have problems with paying their bill for interstate toll charges.

As noted previously, to implement a policy of prohibiting disconnection of local service for failure to pay toll charges requires the availability of a selective carrier denial service for the IXCs so they can protect access to their network from bad debt customers. This type of service has been available in Colorado for a number of years.

4. Lifeline Assistance

B. Services Targeted for Low-Income Populations that are Highly Mobile

Response to ¶ 38

As noted elsewhere in these comments, the Colorado Commission considers debit cards to be competitive. We also do not regulate voicemail which has been preempted by the FCC as an enhanced service. As we have previously stated, a policy attempting to provide assistance to low-income individuals to use these services to provide an alternative should probably be in the form of a voucher as the most competitively neutral mechanism for providing assistance.

The request for comments regarding the possible use of a PIN brings forth an interesting possibility. The FCC and the states, perhaps through a joint board investigation, may want to consider requiring the LECs to provide PINs as a means for the customer to voluntary limit access to a telephone line. We believe that this type of function should be provided in addition to toll blocking services currently in effect or proposed and not as a substitute for these other types of call restrictions. This proposal would require a switch software algorithm that would block use of the telephone access line except when the proper PIN is used. With the continued convergence of the computer and communications industry and increasing competition in the telecommunications industry, the use of a PIN for access to a telephone line may become more desirable by consumers for security purposes and a PIN would be familiar to customers since they are similar to access codes for a computer network, such as a LAN. It may also be possible to have the PIN requirement resident in the CPE, similar to current cellular telephones and particularly if CPE similar to that used for ISDN type services becomes prevalent. However, this alternative does not appear as insulated from possible bypass, or secure, as providing the PIN requirement in the local end-use switching facility.

Response to ¶ 39

Beside these features or services methods for making telephone service available to mobile low income individuals, the CPUCS notes that keeping connection charges as low as possible without subsidizing the cost of this function has had a beneficial impact in Colorado.[9] We would also note that a recent promotional tariff filed by USWC in Colorado which allows sent-paid pay telephone calls within the LATA to be priced on a message rather than a usage basis has provided another opportunity for highly mobile individuals to economically use the public switched network. At this time we do not know whether this method of pricing sent-paid pay telephone calls will be continued past the promotional period or whether it is cost justified. However, it represents another example of a means by which highly mobile customers can use the public switched network.

C. Extending Telephone Service to Unserved Areas

Response to ¶ 41

BETRs has been and is used in Colorado to extend basic local exchange service to customers. It has certainly not been used to the extent one might expect in the sparsely populated areas of Colorado. Although the radio channels assigned to BETRs by the FCC are in a desirable part of the frequency spectrum for this type of service, these channels are limited in number and bandwidth. This

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[9] Some low-income customers are eligible for an additional discount through the FCC Link Up program based on the eligibility standards adopted by the Colorado Legislature. Essentially, eligibility is limited to individuals that can qualify for the Colorado Department of Social Services programs related to Old Age Pensions, Aid to the Blind, Aid to the Needy Disabled, or that qualify for supplemental income under the federal Social Security Act.

spectrum also is shared with other users. In order for this type of technology to reach its potential as an alternative means of providing basic local exchange service, the FCC should provide more frequency spectrum dedicated solely to this function.

Cellular is currently used in Colorado as an alternative to wireline local exchange service. In fact, the Colorado Commission is considering rules regarding held service orders for new construction which would require alternatives to be provided by the LEC until permanent basic local exchange service, usually through the use of wireline technology, can be provided. Cellular as well as voicemail are two of the alternatives that the customer may consider as temporary replacements for basic local exchange service. As neither of these services are under the regulatory authority of the Colorado Commission, LECs provide these services through the payment of vouchers to the providers of these services. Except for its use as a temporary replacement for fixed, wireline basic local exchange service and for some remote locations where the provision of wireline service is cost prohibitive or not desired by the customer, the price, bandwidth and quality still make cellular only an occasional choice relative to wireline basic local exchange service.

Another alternative that has been used and has some promise for providing basic local exchange service in high cost or temporary applications is satellite technology. There are some problems associated with the use of this technology, such as the availability of dial tone, transmission delay, and price relative to wireline basic local exchange service, that would appear to limit its application. Another major hindrance to its use as a temporary means of providing basic local exchange service is the overly long delay in the FCC permitting process to operate a earth station at a specific site. The FCC needs to streamline its permitting process to allow LECs to implement the use of this technology for temporary basic local exchange service well within

30 days of the date of an application.

In some respects, Personal Communications Networks (PCNs) may also provide an opportunity to extend access to the public switched network. However, the potential limited radio transmission range of such networks may limit their usefulness in areas requiring service extensions in areas typical of Colorado.

III. Subscribership Barriers and Measurements

Response to ¶ 44

As noted in ¶s 42 and 43 of the NOPR, the objective of universal service, as measured by the percentage penetration of telephones per household, is gradually coming closer to reality as the national average climbs towards 100 percent. For some groups such as middle and upper income urban households, universal service has essentially been achieved. However, this definition is based upon the number of households having basic voice-grade telephone service, rather than any additional capabilities that an advanced telecommunications network might provide.

For high income white households, the percentage of households without a telephone in 1990 was about .5 percent compared to a national average percentage of households without a telephone of about 6.7 percent. It is possible that the .5 percentage for high income white households without a telephone can be viewed as an approximation of the portion of the population that would not want a telephone for any reason.[10]

As noted on page 1 of the NOPR, there are some socio-economic groups within this country in which the telephone penetration rate is significantly less than the state or national average. In its

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[10] Universal Service in the United States: Dimensions of the Debate, J. Borrows, P. Bernt, R. Lawton, The National Regulatory Research Institute, Columbus Ohio, June 1994, pages 129.

comments to the FCC for the Notice of Inquiry under Order 94-199 in CC Docket 80-286, Southwestern Bell Telephone Company (SWBT) included a Statistical Brief from the Bureau of the Census entitled Phoneless in America and also described preliminary study results of its review of effects of various sociol-economic factors associated with a lower rate of telephone penetration within its service area. Briefly summarized, the SWBT comments observed that significant factors in its analysis were: 1) income; 2) for Hispanics, particularly for Mexican immigrants, cultural bias towards not acquiring a telephone; 3) owner occupied premises; 4) minority population centers; and 5) urban population centers. SWBT concluded that the correlations between telephone penetration and demographics provided valuable insight into the continued need for means-tested end user support programs such as the FCC's Lifeline and Link Up programs.

In 1989, Dr. Hunt and Dr. Schmitz of the CPUCS conducted a statistical analysis of various sociol-economic factors that impact the rate of telephone penetration per household in Colorado. This study, which is attached to these comments as Appendix 4, examined the sociol-economic factors specifically affecting low-income individuals. When comparing the effect of sociol-economic factors on telephone penetration rates, the study found some results that were similar to and some that differed from other studies of the same vintage. In the CPUCS study, factors increasing the probability of having a telephone included: higher income, home ownership, Asian head of household, member of the household over age 65, non-married household, and larger household size. The CPUCS study found factors decreasing the probability of having a telephone included: recent household moves, Hispanic and Indian heads of households, and heads of households with less than a high school education.

The results of the CPUCS study finding a positive correlation for household size and non-married households differed from the results of some prior studies and might be related to the use of only low-income individuals in the CPUCS study sample population. The CPUCS study also found that other factors could adversely affect the probability of a low-income household having a telephone. These factors included the perceived ability to pay the required deposit and service installation fees as well as the monthly recurring rates for telephone service. The CPUCS study concluded that in order to increase low income telephone penetration policies should be addressed to the barriers caused by frequent moves (installation and deposit criteria), large deposit requirements, and special needs of Hispanic households.

Although not adopted as a specific result of the preceding analysis, in 1989 the Colorado Commission took certain actions which essentially addressed the results of the report. These actions included adopting rules for minimum deposit and disconnect criteria as well as customer information availability requirements within its service quality rules (4 CCR 723-2). Essentially, deposits for jurisdictional services are limited to no more than two months of the average billing for residential customers and customers that fall behind on their bills have the opportunity to pay off the past due amounts within a reasonable time period, if they keep current on future bills. USWC and a majority of the independent telephone companies in Colorado currently participate in the Lifeline program of the FCC. USWC also participates in the Link-up program, but only a few of the small LECs in Colorado currently participate in this program.

The service quality rules of the Colorado Commission also require that a LEC fully inform requesting customers of information regarding service or billing. Because of the significant Hispanic population in Colorado, the largest LEC, USWC, employs bilingual customer service representatives and has bilingual instructions within its local telephone directories. Besides limiting the magnitude of a deposit, other barriers to subscribership which the

Colorado Commission has addressed include the service installation fee, which, for most residential customers in Colorado, has declined from about $55 in 1988 to about $35 at present. Along with other deposit and connection measures previously described in these comments, the Colorado Commission has addressed almost every conceivable possibility for mitigating barriers to attaining local exchange service. Some possibilities for further action may be in the reduction in the cost of certain of these LEC services to only cover their direct cost or to require the LECs to formally engage in budget counseling for consumers eligible for the Lifeline program. We do not foresee a great opportunity for the FCC to improve on this situation unless it desires to adopt some of these same requirements for the IXCs or it wishes to provide more funding for programs such as Lifeline.

Response to ¶ 45

In order to better measure subscribership, the FCC must be sure of what it is attempting to measure. Based on the description contained on the first page of the NOPR, it appears the FCC is, at a minimum, trying to measure the ability of residential customers to have the capability of conducting simultaneous two-way voice conversations at their premises. Based on this assumption, it would not appear advisable to attempt to include two-way paging services in this measurement as our understanding of this technology is that it would not fulfill all the capabilities of the standard voice connection to the public switched network.[11]

Based on the description in footnote 2 on page 1 of the NOPR of the questions used by the FCC to determine telephone subscribership

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[11] The electronic mail capabilities of the Internet would seem to be more akin to the voice capabilities of the standard telephone network than two-way paging and may become a standard capability of that network with the continued merging of computer and communications technologies. However, Internet users usually have access to the public switched network through a standard telephone line, so it is probably not necessary to attempt any special consideration of this type of communications in the penetration measurements.

penetration, it may well be that the penetration data used by the FCC already includes use of cellular for fixed telephone service applications. Before the FCC attempts any adjustments to its data for the use of cellular telephones, it should determine to what extent such use is already inherently included in its data.

IV. Consumer Awareness

Response to NOPR ¶s 47, 50-52

The education of non-subscribers to service options has historically been a responsibility of local telephone companies and the states. To a large extent, this responsibility should remain a local function. However, with the continued unbundling of telecommunications services in a competitive arena, the FCC should consider whether it can play a more active role in assuring that consumers are obtaining adequate information regarding services regulated by the FCC, primarily through the IXCs.[12]

As previously noted, the Colorado Commission has adopted rules requiring LECs to provide information and assistance to help consumers choose the lowest cost service which meets the needs of the customer. We also have rules regarding full disclosure on the telephone bill of LECs of all charges disaggregated into those which are necessary for basic local exchange service and those that are optional. We also require disaggregation into Colorado Commission regulated and nonregulated services. The Colorado Commission employs consumer complaint specialists and has local as well as toll-free 800 numbers published in the information section of the LEC telephone books by which consumers can reach the Commission. The Colorado Commission has also required USWC to have a toll-free "hotline" available for consumers to reach the

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[12] The repeated examples of "slamming" by the IXCs are an example of why FCC oversight of information provided to consumers by the IXCs may provide a public benefit. We would suggest the FCC first concentrate on interstate jurisdictional services before it becomes concerned about the educational activities of the states relative to local service options.

executive offices of USWC besides staffing the normal customer service centers.

We have attached, as Appendix 5, a brochure that the External Affairs section of the Colorado Commission has published to provide information to consumers regarding their rights to telephone service regulated by the Colorado Commission. This is an example of information that has proven useful to consumers in determining their rights to telephone service.

V. Legal Authority

Response to NOPR ¶ 53

If our understanding of the intent of the NOPR regarding the proposed disconnection policy of the FCC is consistent with the intent of the FCC, we believe the FCC has the authority to implement its proposals. However, we may further analyze this issue in the reply comments. As previously noted, we believe the FCC should set minimum interstate disconnection policy standards and defer to or allow the states to implement those which affect local access to the interstate network. As states such as Colorado do not regulate all means of access to the local network, such as cellular, the FCC can play a more prominent role in assuring local access through these networks.

Please forward all correspondence in this docket to:

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Respectfully Submitted,

FOR THE COLORADO PUBLIC UTILITIES COMMISSION STAFF

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<u>CERTIFICATE OF SERVICE</u>

I, <u>Lloyd Petersen</u>, hereby certify that I mailed an original and nine (9) copies of the attached "COMMENTS" this <u>26th</u> day of September, 1995, by Federal Express overnight mail delivery, addressed as follows:

OFFICE OF THE SECRETARY
Federal Communications Commission
WASHINGTON, D.C. 20554

and a copy by U.S. Mail upon each of the following:

ERNESTINE CREECH
ACCOUNTING & AUDITS DIVISION
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INTERNATIONAL TRANSCRIPTION SERVICE
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Lloyd Petersen

Lloyd Petersen, Paralegal/SYSOP
Colorado Public Utilities Commission

10. MISCELLANEOUS SERVICE OFFERINGS

10.4 SCREENING/RESTRICTION SERVICES (Cont'd)

10.4.4 TOLL RESTRICTION

A. Description

Toll Restriction provides for exchange access lines or trunks to be restricted from dialing sent paid toll calls. Local directory assistance calls are allowed. Attempted violation of the restrictions are routed to an announcement.

B. Terms and Conditions

1. This service is offered, subject to the availability of existing CO facilities, to individual line residence, individual line business and dial switching type customers.
2. Provision of Toll Restriction does not alleviate customer responsibility for completed toll calls.
3. Toll Restriction may include Billed Number Screening.

C. Rates and Charges

	USOC	NONRECURRING CHARGE	MONTHLY RATE
• Business, per line or trunk arranged	RTY	$20.00	$5.00
• Residence, per line	RTY	–	2.00

10. MISCELLANEOUS SERVICE OFFERINGS

10.4 SCREENING/RESTRICTION SERVICES (Cont'd)

10.4.3 BILLED NUMBER SCREENING (BNS)

A. Description

BNS prohibits collect and/or third number billing calls from being charged to BNS equipped numbers. Callers attempting to place a collect or third number billing calls using a BNS number for billing will be advised by an operator that such billing is unauthorized and the call will not be completed until other payment or billing arrangements are made.

B. Terms and Conditions

1. BNS is subject to the availability of facilities.

2. Collect and/or third number billed calls originating from locations that do not have screening capabilities may not be capable of being intercepted and denied and will be billed, e.g., International calls and calls that do not go through the Billing Validation Authority (BVA) data base.

3. Provision of BNS does not alleviate customer responsibility for completed toll calls.

4. BNS may be used with other Company toll screening/blocking services (e.g., Toll Restriction, Blocking for 10XXX1+/10XXX011+, etc.).

5. This service is available to customers at no charge.

Appendix 3

12. ADDITIONAL ENGINEERING, ADDITIONAL LABOR AND MISCELLANEOUS SERVICES

12.3 MISCELLANEOUS SERVICES (Cont'd)

12.3.3 SELECTIVE CARRIER DENIAL (SCD)

A. General Description

Selective Carrier Denial (SCD) is a service available to ICs. SCD restricts an end user's ability to access the facilities of a subscribing IC on a carrier specific basis. An IC may request SCD only for nonpayment by the end user of the IC's toll charges. SCD will block an end user from making 1+, 0+, 00- and 10XXX or 101XXXX calls on the subscribing IC's facilities. SCD does not affect local exchange service.

B. Undertaking of the Company

1. The Company undertakes to provide SCD only in those end offices that are suitably equipped.
2. The Company will activate SCD only at the request of a subscribing IC and only for nonpayment by the end user of the IC's charges.
3. The Company will restore an end user's access to the subscribing ICs' facilities only upon request of the IC which requested activation of SCD.
4. The Company will provide a recording to notify the end user of the restriction. The recording will commence after the end user attempts to access the subscribing ICs' facilities.
5. The Company will restrict or restore an end user's ability to access ICs' facilities within 24 hours of receipt of a request. For requests received on a Friday or on a day before a holiday, the 24-hour period commences to run at the start of the next work day.

12. ADDITIONAL ENGINEERING, ADDITIONAL LABOR AND MISCELLANEOUS SERVICES

12.3 MISCELLANEOUS SERVICES

12.3.3 SELECTIVE CARRIER DENIAL (SCD) (Cont'd)

C. Liability of the Company

Notwithstanding 2.1.3, preceding, the Company's liability for the provision of SCD is as follows:

1. The Company shall not be held liable to any end user for damages of any kind resulting or alleged to have resulted from the furnishing of this service.

2. Absent knowing and willful misconduct, the Company's total liability and the ICs' sole and exclusive remedy for any loss, cost, claim, injury, liability, or expense, including reasonable attorneys' fees, regardless of theory, shall be limited to actual damages as defined below, that result from any erroneous restriction of access to the ICs' facilities, any erroneous failure to restrict access to the ICs' facilities or any other erroneous performance or nonperformance of the Company's obligations under this Tariff.

3. For the purpose of liability, actual damages are defined to be an amount equal to 1) the Establishment Charge paid by the IC for the state in which the erroneous performance or nonperformance occurred plus 2) the product charge incurred by the IC to restrict or restore an end user's service.

4. The ICs' liability to the Company (as distinct from the IC's obligation to pay for services provided pursuant to this Tariff) for any loss, cost, claim, injury, liability, or expense, including reasonable attorneys' fees, regardless of theory, shall be limited to the amount of actual damages incurred. Each party may be liable to the other for any indirect or special damages arising out of or in connection with knowing or willful misconduct. In no event shall either party be liable to the other for loss of revenues, business damage or consequential damages.